

REFERENCE TITLE: schools; special education; costs

State of Arizona  
Senate  
Forty-seventh Legislature  
Second Regular Session  
2006

## **SB 1078**

Introduced by  
Senator Allen; Representatives Burton Cahill, Quelland

AN ACT

AMENDING SECTIONS 15-236, 15-774 AND 15-943, ARIZONA REVISED STATUTES; MAKING APPROPRIATIONS; RELATING TO SPECIAL EDUCATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2       Section 1. Section 15-236, Arizona Revised Statutes, is amended to  
3 read:

4           15-236. Cost study of special education programs; program and  
5           fiscal audits

6           A. The department of education shall ~~by December 1, 1981 and every two~~  
7 ~~years thereafter~~ complete ~~a~~ AN ANNUAL cost study of special education  
8 programs ON OR BEFORE DECEMBER 1. Such study shall include, but is not  
9 limited to, the cost of providing special education programs to pupils  
10 prescribed by section 15-761. THE LEGISLATURE SHALL APPROPRIATE SUFFICIENT  
11 MONIES EACH FISCAL YEAR TO FULLY FUND THE SPECIAL EDUCATION GROUP B WEIGHTS  
12 PRESCRIBED IN SECTION 15-943 AT THE AMOUNTS PRESCRIBED IN THE ANNUAL COST  
13 STUDY.

14           B. The department of education shall conduct program and fiscal audits  
15 of selected district special education programs. The audits shall be  
16 designed to determine the degree of compliance with existing statutes and  
17 regulations and the appropriate placement of students in special education  
18 programs. A report of the findings of such audits shall be completed on or  
19 before January 3 of each year. If the department of education determines  
20 that a child has been inappropriately placed in a special education program  
21 of a school district, the district's weighted student count for educational  
22 support services for students in group B as provided in section 15-943 shall  
23 be recomputed and the district's entitlement to state aid adjusted  
24 accordingly.

25           C. For each fiscal year the department of education shall request a  
26 separate line item appropriation for program and fiscal audits of special  
27 education programs in the budget estimate submitted pursuant to section  
28 35-113.

29           Sec. 2. Section 15-774, Arizona Revised Statutes, is amended to read:

30           15-774. Extraordinary special education needs fund: grant  
31           application: criteria

32           A. The extraordinary special education needs fund is established  
33 consisting of legislative appropriations, gifts, grants and donations.  
34 Monies in the fund are subject to legislative appropriation and are exempt  
35 from the provisions of section 35-190 relating to lapsing of appropriations.  
36 The state board of education shall administer the fund.

37           B. A school district may apply to the state board of education for an  
38 extraordinary special education needs grant from the fund IF THE SCHOOL  
39 DISTRICT DEMONSTRATES TO THE SATISFACTION OF THE STATE BOARD OF EDUCATION  
40 THAT THE ACTUAL COST OF PROVIDING SPECIAL EDUCATION SERVICES TO A PUPIL  
41 EXCEEDS ONE HUNDRED TWENTY PER CENT OF THE MONIES RECEIVED BY THE SCHOOL  
42 DISTRICT AS REFLECTED IN THE WEIGHTED STUDENT COUNT FOR THAT PUPIL. The  
43 state board of education shall prescribe the format of the applications. The  
44 applications shall include the following:

1       1. Demonstration of extraordinary needs, including a description and  
 2 documentation of pupil services required and evidence that the district is  
 3 not able to absorb the costs of these services.

4       2. Evidence that monies from the fund will not supplant federal, local  
 5 or other state efforts.

6       3. Evidence that before making an application for monies from the fund  
 7 the school district has made sufficient efforts to seek but has not received  
 8 funding to cover the extraordinary costs applied for pursuant to paragraph 1  
 9 ~~of this subsection~~ from all other sources, including federal and other state  
 10 sources of funding.

11      C. Extraordinary special education needs grants shall be used in the  
 12 current year. All unspent grant monies shall be returned to the department  
 13 of education at the end of the fiscal year for deposit, PURSUANT TO SECTIONS  
 14 35-146 AND 35-147, in the extraordinary special education needs fund.

15      D. FOR EACH FISCAL YEAR THE DEPARTMENT OF EDUCATION SHALL REQUEST A  
 16 SEPARATE LINE ITEM APPROPRIATION FOR MONIES TO BE DEPOSITED IN THE  
 17 EXTRAORDINARY SPECIAL EDUCATION NEEDS FUND IN THE BUDGET ESTIMATE SUBMITTED  
 18 PURSUANT TO SECTION 35-113. THE AMOUNT OF THE REQUESTED APPROPRIATION SHALL  
 19 BE THE ACTUAL EXPENDITURES FROM THE FUND IN THE PREVIOUS FISCAL YEAR PLUS  
 20 SEVEN PER CENT OF THAT AMOUNT.

21      Sec. 3. Section 15-943, Arizona Revised Statutes, is amended to read:  
 22      15-943. Base support level

23      The base support level for each school district shall be computed as  
 24 follows:

25      1. The following support level weights shall be used in paragraph 2,  
 26 subdivision (a) for the following school districts:

27      (a) For school districts whose student count in kindergarten programs  
 28 and grades one through eight is classified in column 1 of this subdivision,  
 29 the support level weight for kindergarten programs and grades one through  
 30 eight is the corresponding support level weight prescribed in column 2 or 3  
 31 of this subdivision, whichever is appropriate:

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
<u>Student Count</u>	Support Level Weight For Small Isolated <u>School Districts</u>	Support Level Weight For Small <u>School Districts</u>
1-99	1.559	1.399
100-499	1.358 + [0.0005 x (500 - student count)]	1.278 + [0.0003 x (500 - student count)]
500-599	1.158 + [0.002 x (600 - student count)]	1.158 + [0.0012 x (600 - student count)]

41      (b) For school districts whose student count in grades nine through  
 42 twelve is classified in column 1 of this subdivision, the support level  
 43 weight for grades nine through twelve is the corresponding support level  
 44 weight prescribed in column 2 or 3 of this subdivision, whichever is  
 45 appropriate:

	<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
2		Support Level Weight	Support Level Weight
3		For Small Isolated	For Small
4	<u>Student Count</u>	<u>School Districts</u>	<u>School Districts</u>
5	1-99	1.669	1.559
6	100-499	1.468 + [0.0005 x (500 - student count)]	1.398 + [0.0004 x (500 - student count)]
7			
8	500-599	1.268 + [0.002 x (600 - student count)]	1.268 + [0.0013 x (600 - student count)]
9			
10	2. Subject to paragraph 1, determine the weighted student count as		
11	follows:		
12	(a)		
13		Support	Weighted
14		Level	Student
15	<u>Grade Base</u>	<u>Group A</u>	<u>Student</u>
16	PSD 1.000	+ 0.450 = 1.450 x _____	= _____
17	K-8 1.000	+ 0.158 = 1.158 x _____	= _____
18	9-12 1.163	+ 0.105 = 1.268 x _____	= _____
19		Subtotal	A _____
20	(b)		
21		Support	Weighted
22	<u>Funding</u>	<u>Level</u>	<u>Student</u>
23	<u>Category</u>	<u>Weight</u>	<u>Count</u>
24	HI	<u>4.771</u> _____ x _____	= _____
25	K-3	<u>0.060</u> _____ x _____	= _____
26	ELL	<u>0.115</u> _____ x _____	= _____
27	MD-R, A-R and		
28	SMR-R	<u>6.024</u> _____ x _____	= _____
29	MD-SC, A-SC and		
30	SMR-SC	<u>5.833</u> _____ x _____	= _____
31	MD-SSI	<u>6.531</u> _____ x _____	= _____
32	OI-R	<u>3.158</u> _____ x _____	= _____
33	OI-SC	<u>5.576</u> _____ x _____	= _____
34	P-SD	<u>3.595</u> _____ x _____	= _____
35	ED, MIMR, SLD,		
36	SLI and OHI	<u>0.003</u> _____ x _____	= _____
37	ED-P	<u>4.647</u> _____ x _____	= _____
38	MOMR	<u>4.421</u> _____ x _____	= _____
39	VI	<u>4.806</u> _____ x _____	= _____
40		Subtotal	B _____
41	(c) Total of subtotals A and B: _____		
42	3. Multiply the total determined in paragraph 2 by the base level.		
43	4. Multiply the teacher experience index of the district or 1.00, 44 whichever is greater, by the product obtained in paragraph 3.		

1           Sec. 4. Appropriations: purpose: exemption

2       A. The sum of \$\_\_\_\_\_ is appropriated from the state general fund  
3       in fiscal year 2006-2007 for deposit in the extraordinary special education  
4       needs fund established by section 15-774, Arizona Revised Statutes, as  
5       amended by this act, and is appropriated to the state board of education for  
6       extraordinary special education needs grants.

7       B. The sum of \$\_\_\_\_\_ is appropriated from the state general fund  
8       in fiscal year 2006-2007 to the department of education in order to conduct  
9       the cost study prescribed in section 15-236, Arizona Revised Statutes, as  
10      amended by this act.

11      C. The sum of \$\_\_\_\_\_ is appropriated from the state general fund  
12      in fiscal year 2006-2007 to the department of education for distribution to  
13      school districts as the result of the increased support level weights  
14      prescribed in section 15-943, Arizona Revised Statutes, as amended by this  
15      act.

16      D. The appropriations made in subsections A, B and C of this section  
17      are exempt from the provisions of section 35-190, Arizona Revised Statutes,  
18      relating to lapsing of appropriations.